



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, MARCH 10, 1993

AT
(202) 514-2007
TDD (202) 514-1888

RHODE ISLAND COMPANY CHARGED WITH PRICE FIXING

WASHINGTON, D.C. -- The Department of Justice announced that a federal grand jury in Covington, Kentucky, today returned a two-count indictment against Conneaut Industries Inc. of West Greenwich, Rhode Island, and John P. Santos, vice president and general manager of Conneaut, for conspiring to fix prices of packaged fiberglass yarn and witness tampering.

Count one charged that Santos and Conneaut were involved in a conspiracy to fix prices of packaged fiberglass yarn, an industrial yarn used to insulate electrical wire, in violation of Section 1 of the Sherman Act.

According to the indictment, the price fixing conspiracy began at least as early as November 1991 and continued at least until January 8, 1992.

Count two charged Conneaut and Santos with persuading a Conneaut employee to alter and conceal documents to keep the documents from the grand jury in violation of the witness tampering statute.

(MORE)

John W. Clark, Acting Assistant Attorney General for the Antitrust Division, said the criminal charges arose in connection with a grand jury investigation in eastern Kentucky into collusive practices by packaged yarn processors. Clark said the investigation was conducted by the Division's Cleveland Field Office.

The Department also announced that pursuant to the Antitrust Division's corporate amnesty program, it would not criminally prosecute for antitrust violations another yarn processor involved in the conspiracy subject to that processor's continued cooperation.

Companies that voluntarily come forward and reveal their complicity in collusive activity prior to the discovery or investigation of the conduct by the Division and take steps to redress their prior conduct, may be eligible for amnesty under the program.

The maximum penalty for a corporation convicted under the Sherman Act after November 1990 is a fine which is the greatest of \$10 million, twice the pecuniary gain derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

The maximum penalty for an individual convicted under the Sherman Act after November 1990 is three years imprisonment and a fine which is the greatest of \$350,000, twice the pecuniary gain derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

(MORE)

The maximum penalty for violating the witness tampering statute is a fine of \$250,000 or imprisonment for ten years, or both.

####

93-064